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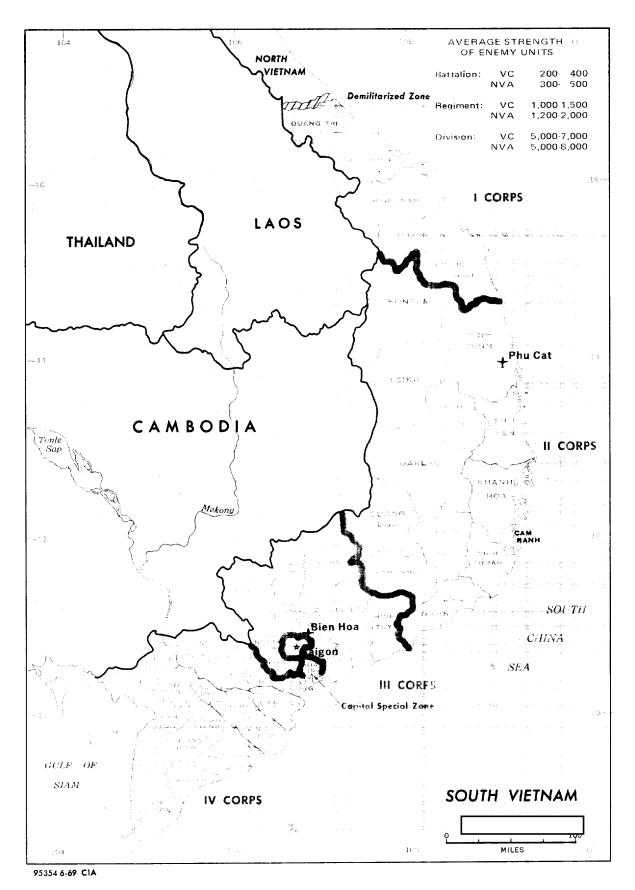
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South Vietnam: Heavy fighting erupted in widely separated areas of the country on 17-18 June.

In northernmost Quang Tri Province, US Marines fought four pitched battles with the Communists, killing at least 89 enemy troops while suffering 27 killed. During the same period, more than 100 Communists were killed in sharp fights with allied troops in several outlying provinces west of Saigon. US losses in these clashes were relatively light. Enemy gunners also shelled Bien Hoa and Phu Cat air bases on 17 June, wounding 25 US personnel and damaging some buildings.

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Leaders of several elements which may combine to form a grouping in opposition to President Thieu's National Social Democratic Front met recently to discuss their political future. Present at the meeting were such figures as Senator Tran Van Don of the National Salvation Front, Nguyen Ngoc Huy of the National Progressive Movement, and former chief of state Phan Kac Suu, as well as emissaries from important religious groups.

The organizations led by these men have demonstrated considerable political influence in the past. With an eye to possible future national elections, these leaders eventually hope to construct a joint platform for the development of a political organization that might rival Thieu's National Social Democratic Front.

The government, meanwhile, apparently is cracking down on a more extreme opposition group. According to press reports, National Progressive Force (not to be confused with National Progressive Movement) leader Tran Ngoc Lieng claims that he and several of his followers have been ordered to appear before Saigon police for questioning, and that a number of other members of his group are being detained by the police.

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Communist China: There are some signs that government ministries are beginning to function more normally in the wake of the party congress, but basic policy and staffing problems remain unresolved.

Without publicity, Peking has taken some steps toward dealing more responsibly with pressing domestic problems. New attention is being devoted, for example, to the urgent problem of birth controllargely ignored during the Cultural Revolution. There have been official "suggestions" that medical personnel—already dispersed to the rural areas—could be used to promote intrauterine devices and other birth control methods by the peasant population, 85 percent of China's total.

The clearest indication of a return to more conventional operations is reflected in Peking's conduct of foreign affairs. China's ambassadors—10 of 45 so far—are being sent abroad for the first time since early 1967. All those named to date are senior professional diplomats. Cultural Revolution disruptions in the Ministry of Foreign Affairs appear to have ended, with most sections now functioning more efficiently. Restrictions on foreign diplomatic travel within China also have been relaxed.

Recent reports suggest that Peking intends to convene a new National People's Congress—the governmental counterpart to the party congress—before Communist China celebrates its 20th anniversary on 1 October. The congress—if convened—could be expected to deal with a number of unresolved issues, including the selection of a new chief of state, the streamlining and staffing of government ministries, and the adoption of national economic plans and budget.

Despite these tentative indications of a more businesslike approach, there is as yet no indication that substantive decisions were taken last

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April at the party congress on basic economic and social policies or on restructuring and staffing central government organs. These problems, together with Peking's overriding preoccupation with achieving leadership "unity" at all levels, suggest that a meaningful return to normal governmental operations will be slow at best.

Malaysia-Singapore: Progress at the five-power Commonwealth defense talks opening today in Canberra will be limited because of the recent communal disorders in Malaysia.

Singapore believes, as do the UK, Australia, and New Zealand, that until Malaysia returns to some form of parliamentary rule there is little chance of reducing tensions that have developed between the two countries or of achieving progress in defense arrangements. Singapore hopes that its Western Commonwealth allies will use the conference to press the Malaysians on the issue. The Western allies have made clear that the extent of their assistance depends on bilateral cooperation between Malaysia and Singapore.

Singapore remains determined to promote joint air and naval cooperation against external aggression and will work to that end in Canberra. Malaysia, for its part, can be expected to contribute to bilateral or multilateral defense arrangements as long as its Western Commonwealth partners help build up its armed forces for internal security duties.

Both Malaysia and Singapore want an Australian/
New Zealand presence in Malaysia/Singapore and some
continuing British commitment. Australia and New
Zealand are becoming concerned about their positions
should Malaysia's internal security deteriorate
seriously. Their present participation in security
arrangements is based only on aiding against external aggression.

Cyprus: Prospects for resolving the issues dividing the ethnic Greek and Turkish communities on the island have dimmed.

With Greek Foreign Minister Pipinelis, who had pushed the parties hard for a settlement, indefinitely out of the picture due to serious illness, Cypriot President Makarios believes he is no longer under heavy pressure to compromise. Makarios also probably reasons that the Greek Government is too preoccupied with other problems to pay much attention to the Cyprus problem at this time.

Meanwhile, exchanges between Greek and Turkish Cypriot leaders have become more acrimonious, and have been accompanied by charges and countercharges. The Greek Cypriots charge the Turkish Cypriots with "military preparations" including increased weapons procurement. The Turkish Cypriots accuse their adversaries of preparing to impose new "restrictions," presumably on Turkish Cypriot movement or acquisition of property.

Another irritant to intercommunal relations will probably develop when the UN Commission on Human Rights convenes in Nicosia on 26 June. The intercommunal talks will soon recess for two months, and both sides may well try to use the UN meeting to air their grievances against the other.

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USSR: A new form of water first prepared by the Soviets has widely diversified potential applications if large quantities can be prepared economically. For example, it could be used as a reactor moderator, a lubricant, an antifreeze, and an engine coolant.

The so-called anomalous water was first reported by the Soviets in 1966. US scientists have just now been able to prepare the water--which they call polywater--and confirm its properties.

The US scientists have prepared only minute quantities of the new form of water, which is a stable variation of ordinary water. It has a specific gravity of 1.3, a boiling point of 200 degrees C, a freezing point of approximately -50 degrees C, and a viscosity about 15 times as great as ordinary water. That it remains liquid over such a wide temperature range extends its applications considerably over those of ordinary water.

It is not known whether the Soviets have produced the new water in quantity. However, both the Soviet discoverer of polywater and some US scientists believe that it could be produced in quantity if the special properties and potential uses justified the effort and cost.

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Belgium: Chances remain poor that Prime Minister Eyskens' Social Christian - Socialist coalition can get parliamentary approval of key legislation to deal with the country's linguistic problem.

The coalition, since coming to power a year ago, has been unable to line up the two-thirds majority in either chamber of parliament needed to carry out a constitutional revision that would give the Flemish and the French communities greater cultural autonomy. The core of the opposition is the Liberal Party. It has threatened to boycott parliamentary consideration of the measures because it was given no part in drafting them.

Eyskens has come in for considerable public criticism for inactivity on this and other measures. He has challenged the Senate, where he has launched his constitutional bill, to remain in session into the summer, but this may be only an effort to shift the onus for inactivity away from the government.

Eyskens and other Social Christian leaders may still be hoping to erode the Socialists' opposition to Liberal participation in redrafting the legislation. Chances of overcoming Socialist opposition appear remote, however, because increasing linguistic rivalries among the Liberals reportedly have led some Socialist leaders to hope that enough Liberals will break party discipline to give the coalition its needed support.

NOTE

Argentina: With the designation of Jose Rafael Caceres Monie as defense minister, President Ongania has completed the reorganization of the top echelon of his administration. The new minister is a brother of a key general on active service, and his appointment may be in response to a desire by high military officers to have a greater voice in the government's decisions. The government now will probably make some moves to alleviate student and labor unrest but the level of tension will probably remain high for some time.

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